

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the  
5 Illinois Dollars for Scholars Program Act.

6 Section 5. Findings and purpose. The General Assembly  
7 finds that making higher education opportunities available to  
8 Illinois residents is of great importance to the social and  
9 economic well-being of this State. The General Assembly further  
10 finds that some potential students, because of family and  
11 social circumstances, economic distress of their community,  
12 and other reasons, do not pursue a higher education. It is in  
13 the interest of the State to support the development of  
14 scholarship programs that help these citizens attend a college,  
15 university, or vocational-technical institute in the State.  
16 The purpose of this Act is to create an Illinois Dollars for  
17 Scholars Program as a pilot project, with the intent of  
18 encouraging local communities to develop scholarship programs  
19 that assist their residents in obtaining a higher education.

20 Section 10. Definitions. In this Act, unless the context  
21 clearly requires otherwise:

22 "Chapter" means an Illinois Dollars for Scholars chapter  
23 found to be eligible for State funds under Section 25 of this  
24 Act.

25 "Commission" means the Illinois Student Assistance  
26 Commission.

27 "Institution of higher education" means a degree-granting  
28 college or university or public vocation-technical institute,  
29 in this State, that is a member institution of an accrediting  
30 association recognized by rule of the Commission for the  
31 purposes of this Act.

1 "Program" means the Illinois Dollars for Scholars Program.

2 Section 15. Creation of Program.

3 (a) The Illinois Dollars for Scholars Program is hereby  
4 established. Subject to the availability of funds, the  
5 Commission shall award a chapter \$2,000 upon demonstration to  
6 the Commission that the chapter has raised \$2,000 for  
7 scholarships or the creation of an endowment for scholarships.

8 (b) Awards made under this Section shall be used for  
9 scholarships to community residents who qualify as resident  
10 students, as determined by the Commission, to attend  
11 institutions of higher education.

12 Section 20. Goals.

13 (a) The goal of the Program is the development throughout  
14 the State of community organizations that raise scholarship  
15 funds for local residents.

16 (b) In making awards under Section 15 of this Act, the  
17 Commission shall take into consideration, but not be limited  
18 to, the following additional goals:

19 (1) increasing higher education participation for  
20 residents of economically distressed areas and other areas  
21 of the State with low participation rates and enhancing  
22 community support for residents of these areas who desire a  
23 higher education;

24 (2) creating scholarship opportunities for students  
25 who do not meet the criteria for traditional scholarships;  
26 and

27 (3) creating scholarship opportunities for students  
28 who plan to focus their studies in the humanities and arts.

29 Section 25. Eligibility. To qualify as an Illinois  
30 Scholars for Dollars chapter eligible for State money under  
31 this Act, an organization must meet the following criteria:

32 (1) have a tax-exempt status under Section 501(c) of  
33 the Internal Revenue Code, be a publicly supported

1 organization under Section 170(b)(1)(A)(vi) of the  
2 Internal Revenue Code, and not be a private foundation  
3 under Section 509(a) of the Internal Revenue Code;

4 (2) be organized after the effective date of this Act  
5 for the primary purpose of raising and awarding  
6 scholarships to community residents who qualify as  
7 resident students, as determined by the Commission, to  
8 attend institutions of higher education;

9 (3) solicit broad-based community support in its  
10 fundraising activities and be representative of the  
11 community in its organization;

12 (4) not be duplicative of other organizations;

13 (5) be organized and operated by volunteers;

14 (6) grant scholarships without regard to age, sex,  
15 marital status, race, creed, color, religion, national  
16 origin, or the presence of any mental, sensory, or physical  
17 handicap; and

18 (7) meet other criteria established by the Commission  
19 to meet the goals of the Program specified in Section 20 of  
20 this Act.

21 Section 30. Chapter limits. The total number of chapters  
22 operating under this Act at any one time shall not exceed 28.  
23 Not more than 7 chapters shall operate at any one time in any  
24 city having a population exceeding 500,000; not more than 7  
25 chapters shall operate at any one time in the counties of  
26 DuPage, Kane, Lake, McHenry, Will, and that portion of Cook  
27 County that is located outside a city having a population  
28 exceeding 500,000; and not more than 14 chapters shall operate  
29 at any one time in the remainder of the State.

30 For the purposes of implementing this Section, the  
31 Commission shall assign a number to each chapter submission  
32 that it receives under this Act for its review and  
33 certification, based on the chronological order in which the  
34 submission is received. The Commission shall promptly notify  
35 the public when the maximum number of chapters authorized to

1 operate has been reached.

2 Section 35. Administration; rules; assistance. The  
3 Commission shall administer the Program. The Commission shall  
4 adopt rules as appropriate to implement the Program and shall  
5 solicit assistance from public and private sources to publicize  
6 the Program. The Commission may create an advisory committee to  
7 assist in making determinations under this Act.

8 Section 40. Illinois Dollars for Scholars Fund. The  
9 Illinois Dollars for Scholars Fund is created as a special fund  
10 in the State treasury. All money appropriated for the Program  
11 and all money otherwise received for this purpose shall be  
12 deposited in this Fund. All money in this Fund shall be used,  
13 subject to appropriation, by the Commission for awards and  
14 administration of the Program.

15 Section 45. Gifts; grants; endowments. The Commission may  
16 solicit and receive such gifts, grants, and endowments from  
17 public or private sources as may be made from time to time, in  
18 trust or otherwise, for the use and benefit of the purposes of  
19 the Program and may expend the same or any income therefrom  
20 according to the terms of the gifts, grants, or endowments.

21 Section 50. Report. By December 1, 2006, the Commission  
22 shall submit a report to the Governor, the House of  
23 Representatives Higher Education Committee, and the Senate  
24 Education Committee. The report shall examine the results and  
25 effectiveness of the Program and shall recommend whether the  
26 Program should be continued and any modifications to the  
27 Program.

28 Section 905. The State Finance Act is amended by adding  
29 Section 5.640 as follows:

30 (30 ILCS 105/5.640 new)

1        Sec. 5.640. The Illinois Dollars for Scholars Fund.

2            Section 990. Repealer. This Act is repealed on June 30,  
3        2008.

4            Section 999. Effective date. This Act takes effect upon  
5        becoming law.